



REQUEST FOR PROPOSALS
For a
Hospitality HVAC Assistance Program

Date Issued: August 29, 2022

Questions Due by: October 7, 2022

Proposals Due: November 7, 2022

Vermont Public Service Department

112 State Street

Montpelier, Vermont 05620-2601

(802) 828-2811

TTY/TTD (VT): 1-800-734-8390

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OVERVIEW:

Vermont was awarded \$1.05 billion in Coronavirus State and Local Fiscal Recovery Funds (Recovery Funding) as part of the federal American Rescue Plan Act of 2021. The Governor's Recovery Plan is focused on transparent investments in key infrastructure needs including housing, broadband, wastewater and sewer systems, climate change prevention and mitigation, and economic development. The explicit objective of this Plan is to provide long term economic recovery opportunities to communities statewide, with a focus on those regions or counties struggling the most with job losses and declines in demographics and income levels.

The Clean Energy Development Board (CEDB) was allocated \$5 million of the Recovery Funding appropriated to the Public Service Department (PSD or Department) by the 2021 Vermont General Assembly. The CEDB designed five programs with this funding that offers relief to households, schools, and small businesses that experienced financial or health impacts from the pandemic. This request for proposals (RFP) is intended to provide recovery to businesses in the tourism, hospitality and travel service industry (hereafter referred to as "eligible businesses") that were impacted by the Covid-19 pandemic.

The Public Service Department (PSD or Department) requests proposals for projects supporting the safe reopening and expansion of eligible businesses that:

- improve the operation and efficiency of heating, ventilation and air conditioning (HVAC) systems.
- Assist with business energy cost reduction/stabilization and resiliency through woodstove change-outs for new EPA Certified wood or pellet stoves, or the installation of new high efficiency pellet stoves, pellet or dry wood chip boilers/furnaces, and or cold climate heat-pumps, or repairs to existing clean-heating systems.
- Assist businesses needing utility/energy improvements via upgrades, or needed health and safety repairs, of electrical service related to the electrification of their heating or other systems in their places of business.

Any program funded through this RFP should advance ARPA goals and objectives to:

- Fight the negative economic impacts of the pandemic with support for businesses in the tourism, hospitality and travel service industry affected by the impacts to public health and the economy
- Build a recovery that is strong and resilient with investments that promote growth and opportunity that has long-term effects

The projects supported through this RFP should support the following program objectives:

1. Support COVID recovery by assisting eligible Vermont businesses with needed infrastructure improvements¹.

¹ Eligible businesses are those in the tourism, travel, and hospitality sectors.

2. Maximize long-term heating cost savings, indoor air-quality improvements, and safety through installations, repairs, upgrades, and safety improvements of HVAC systems.
3. Maximize the displacement of fossil fuels used for space heating
4. Decrease the particulate emissions and inefficient use of wood heat

An applicant may only submit one proposal, Proposals must be for projects based in Vermont. All incentives must be for the benefit of Vermont businesses within the tourism, hospitality and travel services industry. Projects receiving grant awards and the subcontractors (subrecipients) retained by the recipient for the grant funded project(s) must complete projects no later than December 31, 2026.

PROGRAM SUMMARY:

Award Description	
Recipient Eligibility:	<ul style="list-style-type: none"> • Business entities (LLC, etc.) registered in Vermont within the tourism, hospitality and travel service industries which had planned projects that were affected by economic harm resulting from the pandemic. • Lodging establishments seeking funding are required to have a Vermont lodging license. • Projects for buildings that have not been used for long-term residential purposes in the past five years.
Funding Type:	Program Grant
Total Amount available:	\$250,000
<i>Maximum Grant:</i>	<i>\$25,000 up to 30% of Project cost</i>
<i>Minimum Grant:</i>	<i>\$10,000</i>
Cost Share Required from recipients:	70% of Project Cost
Eligible Projects:	<ol style="list-style-type: none"> 1. Repairs, replacements, upgrades, and installations of clean heating technologies 2. Installation and upgrades of ventilation and HVAC Controls 3. Necessary electric service/panel upgrades or repairs related to electrification measures (i.e. heat pumps) 4. Weatherization measures when paired with the installation of allowable clean heating technologies (See “Clean Heating Technologies Allowed” below)
Clean Heating Technologies Allowed:	<p>Cold-Climate Heat Pumps (air or ground sourced) Pellet Fueled Heating Appliances (stoves, boilers, furnaces) that have: High efficiency ($\geq 73\%$ efficient for stoves and furnaces, $>85\%$ for boilers) Low particulate emissions (≤ 2.0 grams per hour)</p>

	<p>EPA Certified cord wood stoves that have:</p> <ol style="list-style-type: none"> 1) High efficiency (\geq 73% efficient) 2) Low particulate emissions (\leq 2.0 grams per hour) <p>On-Site Wood Pellet Storage Systems</p>
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SUBMITTING THE APPLICATION

Proposals must arrive at the Public Service Department (PSD) office by 4 p.m. on Monday, November 7, 2022. Applicants should allow adequate time to ensure receipt of their proposal by the deadline. Proposals received after this time and date will not be considered.

The following documents must be delivered to the CEDF at the PSD:

1. An electronic copy, delivered by email
2. An original, signed hard copy may be sent additionally

Any questions regarding this RFP should be submitted in writing, preferably by email, with the subject line, "Hospitality Energy Aid RFP Question." Questions are due by close of business, Friday October 7, 2022 and will be answered comprehensively at the CEDF web site (http://publicservice.vermont.gov/renewable_energy/cedf) alongside this RFP by Tuesday October 11, 2022.

Proposals and questions should be addressed to:

Christopher Heine
 Clean Energy Program Specialist
 Vermont Public Service Department
 112 State Street
 Montpelier, VT 05620-2601
 Phone: (802) 828-8198 Email: christopher.heine@vermont.gov

INFORMATION FOR APPLICANTS

General Information: While applicants may submit only one proposal, subcontractors can be included in more than one proposal. Funds cannot be used for projects that have already begun construction or for equipment purchases that have already been made.

Term: The projects funded under this solicitation must be operational and completed on or before December 31, 2026.

Reporting: Reporting shall be required for all projects receiving an award. Reporting shall include quarterly progress reports as well as a final report submitted within three months of the grant end date or by January 30, 2027, whichever comes first.

Quarterly reports and a final project report shall include expenditures made, specific activities, and results. Five percent of grant funds will be held back until the final report has been received and approved by the PSD.

Cost Share: Applicants will be required to demonstrate cost share for the project to be eligible for grant funding. That cost-sharing should be indicated in the application. A letter of commitment identifying the cost share and its source of funding shall be included as part of the application. For example, if an applicant has received a commitment from an organization to provide funds that cover part of the cost for the project, the applicant must provide a copy of the commitment letter. **Grant funding from other CEDF/PSD funded incentive programs shall not be used as any part of the cost share for this program.**

Exclusions: All projects must be based in Vermont and for the benefit of businesses that are in the tourism, hospitality or travel service industry. Funds cannot be used for projects that have already begun construction or for equipment purchases that have already been made or ordered. **Projects funded through CEDF/PSD incentive programs are not eligible for funding from this grant program.**

Revisions: The PSD reserves the right to make necessary changes to this RFP at any time including termination of the program if in the best interest of the State.

INFORMATION REQUIRED FROM APPLICANTS

Proposed projects should promote the development and deployment of health, safety, clean energy, and efficiency measures as listed above in the award description table.

Proposals should be prepared simply and economically, providing a straightforward, concise description of the applicant's ability to meet the requirements of the RFP. Fancy bindings, colored displays, promotional materials, and so forth are not desired. Emphasis should be on completeness and clarity of content.

Proposals should be no longer than 10 pages, with no less than a 12-point font and one-inch margins. Resumes, letters of support, and the Budget Worksheet, or appendixes **do not** count toward the 10-page limit. The Summary Page and all other information count towards the 10-page limit.

*A. **Summary Page** - Applicants must include a one-page summary that includes the following four items:*

1. **Project Title** - Provide a descriptive title for the project.
2. **Identification of Applicant Organization** - State the full name and address of the business or organization responsible for the proposal and list the main contact and their contact information.
3. **Project Description** that shall include, at a minimum:

- **Statement of Need** describing the need this project will address. Include data to demonstrate the need and cite the source of the data.
- **Budget** - Simple budget that includes any other possible funding for the project.
- **Estimated cost savings describing the projected fuel and/or electricity savings.**
- **Estimated fuel savings coming from the project/improvements**
- **Energy Savings describing the projected fuel and/or electricity to be saved.**
- **Special Considerations** describing any other information that might assist the State in its selection.

4. **Signature** - Please sign to indicate you have read and acknowledge all of the conditions of this request for proposals, and that, to the best of your knowledge, the information you have supplied is accurate.

B. Project Narrative

Describe the project for which funding is requested. Provide a statement of the project's goal(s) and objectives. Describe what the project will accomplish if successful. State why this project should receive ARPA grant funding from the PSD and whether the project would happen without ARPA grant funding.

C. Personnel

While applicants are not expected to have demonstrable knowledge, skills, and experience as it relates to the required work of the proposal, personnel contracted for the project should be experienced in the technologies proposed for the project. Proposals should include a description of the subrecipient's (e.g., contractor's) prior experience in all areas relevant to the proposed project. The proposal must identify all persons that will be contracted for the proposed project by skill and qualifications. Identify key personnel by name and title and provide their prior experience (if resumes are included, they **do not** count toward the 10-page limit). Subcontractors (if known) must be listed, including the firm name and address and contact person, and complete description of work to be subcontracted. Include descriptive information concerning subcontractor's organization and abilities.

D. Work Plan & Timeline

Describe in narrative form the plan for accomplishing the work required to develop and complete the project. Include a description of any activities in support of the proposal that have already been completed or are in process.

Describe the plan for project oversight, quality assurance measures, financial management, and which team member(s) will have these responsibilities.

Provide a timeline for the project development and completion.

E. Budget & Budget Narrative

Applicants must submit a detailed estimated budget for the project and include narrative explanations.

The following cost elements should be included in each proposal:

- Personnel costs (position, \$ rate/hr.)
- Fringe Rate to be applied to the personnel costs
- Indirect Cost Rate
 - List all costs subject to the indirect cost rate
- Travel (include mileage rate, etc.)
- Supplies & Materials
- Sub-Contractors' costs
- Other (specify)

F. Additional Information

Proposals must include information described in sections A-E above. In addition, proposals can include any other pertinent and important information.

METHOD OF AWARD

Awards will be made in the best interest of the State. All other considerations being equal, priority will be given first to programs that include projects in regions or counties struggling the most with job losses, declines in demographics and income levels. Priority will also be given to those projects developed in coordination with other planned infrastructure development for the greatest transformative impact. Qualitative determinations will be made regarding community need and community impacts. Scoring will not be numerical.

1. **Evaluation Criteria:** A selection committee will review, analyze and rank all submittals based on their response to the information requested. At a minimum, the selection process will include the following criteria in the evaluation of proposals. These criteria are not necessarily listed in order of importance:

- Need
- Measurable Results and Evaluation
- Geographical Equity
- Opportunities for Coordinated Projects
- Project's leverage of/coordination with other projects, programs or funding
- Energy/Fuel Savings
- Projects potential for energy cost
- Municipal Match, if applicable
- Number of income-eligible Vermonters assisted
- Number of homes/buildings improved
- Program risks (e.g., securing matching funds) are acknowledged
- Other specific considerations

2. **Experience & Qualifications:**

- Knowledge and experience in the relevant program area, including successful experience with similar programs
- Demonstrated ability to complete project on time, on budget, and to complete the reporting requirements
- Previous experience with state and/or federal contracts or grants

3. Budget:

- Budget line items and amounts are sufficiently described and justified to explain the necessity of each item
- Costs are reasonable and competitive
- Degree of financial leverage
- Amount of cost share

GENERAL TERMS AND CONDITIONS

1. Projects funded through this RFP must comply with Section 106 of the National Historic Preservation Act. While energy improvements to historic buildings are greatly encouraged, they must be carefully planned to avoid unintended consequences. Funded work must not harm or destroy historic buildings or archeological sites that are eligible for or listed on the National Register of Historic Places. Some buildings that are over 50 years old are likely to meet National Register criteria. The Vermont Division for Historic Preservation can provide information on National Register status, appropriate treatments for improving energy performance in historic buildings, and a list of preservation consultants who can assist applicants in planning their projects. Generally, HVAC and electrical service upgrades will meet preservation guidelines. Applicants may want to consult the Division's website at www.historicvermont.org.
2. The PSD reserves the right to reject any and all proposals received as a result of this RFP for any reason, to waive minor irregularities in any proposals received, and to negotiate with any party in any manner deemed necessary to best serve the interests of the State.
3. The PSD shall not be responsible for any costs incurred by any party in preparation of any proposal submitted in response to this RFP.
4. The PSD reserves the right to amend or cancel this RFP at any time if the best interest of the State requires such action.
5. News releases pertaining to this RFP, grant award, or the program shall not be made without prior written approval from the PSD.
6. All parties submitting proposals shall be Equal Opportunity Employers. During the duration of the performance any grant agreement resulting from this RFP, the awardee shall comply with all federal, state and local laws respecting non-discrimination in employment.

7. After a grant agreement is executed, the PSD will reimburse the grantee(s) for actual work performed and expenses incurred up to the specified grant amount. Specific payment provisions will be arrived at upon mutual agreement of the parties. All payments will require the submission of an itemized billing of work performed to date in sufficient detail to justify payment. Final payment will require the submission of a final report.
8. In most instances, the grant payments made under this program will be treated as taxable income by the IRS and the State of Vermont. It is the responsibility of the recipient of this grant payment to consult with their tax advisor to determine the correct treatment of this payment for Federal and State tax purposes.
9. Insurance:
 - a. Workers Compensation: With respect to all operations performed, the Party shall carry workers' compensation insurance in accordance with the laws of the State of Vermont.
 - b. General Liability and Property Damage: With respect to all operations performed under the grant agreement, the Party shall carry general liability insurance having all major divisions of coverage including, but not limited to:
 - c. Premises - Operations
 - d. Products and Completed Operations
 - e. Personal Injury Liability
 - f. Contractual Liability
 - g. The policy shall be on an occurrence form and limits shall not be less than:
 - h. \$1,000,000 per Occurrence
 - i. \$1,000,000 General Aggregate
 - j. \$1,000,000 Products/Completed Operations Aggregate
 - k. \$ 50,000 Fire/ Legal/Liability
 - l. Automotive Liability: The Party shall carry automotive liability insurance covering all motor vehicles, including hired and non-owned coverage, used in connection with the Agreement. Limits of coverage shall not be less than: \$1,000,000 combined single limit.
 - m. The Grantee shall name the State of Vermont and its officers and employees as additional insureds for liability arising out of this Agreement.
10. The PSD and the State assume no liability in any fashion with respect to this RFP or any matters related thereto. All prospective grantees and their subcontractors or successors, by their participation in the RFP process, shall indemnify, save and hold the State and its employees and agents free and harmless from all lawsuits, causes of action, debts, rights, judgments, claims, demands, damages, losses and expenses or whatsoever kind in law or equity, known and unknown, foreseen and unforeseen, arising from or out of this RFP and/or any subsequent acts related thereto, including but not limited to the recommendation of a contractor and any action brought by an unsuccessful applicant.
11. All grant awards are subject to the availability of funding.
12. All funding for grant awards will be federal American Recovery Plan Act (ARPA) funds and therefore all ARPA fund requirements and restrictions will apply.